

Fibra Inn Announces Results for the Fourth Quarter 2017

Monterrey, Mexico, February 27, 2018 — Deutsche Bank Mexico, S.A., Institución de Banca Múltiple, Trust Division F/1616 or Fibra Inn (BMV: FINN13) (“Fibra Inn” or “the Company”), the Mexican real estate investment trust internally managed and specialized in the hotel industry serving the business traveler with global brands, today announced its non-audited fourth quarter results for the period ended December 31, 2017 (4Q17). These results were prepared in accordance with International Financial Reporting Standards (IFRS) and are stated in nominal Mexican pesos (Ps.).

2017 Financial Highlights:

- **Total Revenue:** Ps. 1,952.5 million, an increase of 8.6% compared to 2016.
- **NOI¹:** Ps. 693.6 million, a 5.2% increase vs. the prior year; 35.5% margin was 120 basis points lower than the 36.7% for the prior year.
- **Adjusted EBITDA²:** reached Ps. 605.3 million, a 7.9% increase. The 31.0% margin was 20 basis points lower than the 31.2% of the prior year.
- **FFO³:** Ps. 440.1 million with an increase of 0.7%, for a 22.5% margin, 1.8 pp lower than the 24.3% reported in 2016.
- **Distributions to Holders⁴:** Ps. 440.0 million; a 5.2% increase vs. Ps. 418.1 million for the prior year. Distributions per CBFI were Ps. 1.0022, representing an annualized dividend yield for the quarter of de 8.9%

Oscar Calvillo, Chief Executive Officer of Fibra Inn, stated: “2017 was a year of major challenges in economic terms for the country as well as the Fibras. Even in the face of this, the Company has solid, strategic business fundamentals and the conviction that the structural changes, such as the internalization and corporate governance improvement plans will continue to make us one of the best and most trusted Fibras to invest in Mexico. Fibra Inn was able to improve its revenue by 250 bp above inflation to achieve solid margins. Furthermore, Fibra Inn began 2018 with an improved financial profile by conducting a public debt offering at a fixed rate for 10 years. We also completed the revaluation of our assets, which raised our Fibra’s equity by 26.9%.”

4Q17 Financial Highlights:

- Fibra Inn concluded the quarter with 42 hotels in operation plus one property in the expansion process. This represents a total of 6,944 rooms, 145 of which are undergoing brand conversions and 51 are under expansion. Fibra Inn is invested in 3 properties, under the Strategic Hotel Acquisition Pipeline model, that will add 633 rooms.



In Monterrey, Mexico:
Lizette Chang, IRO
Fibra Inn
Tel: 52 1 (81)1778-5926
Email: lchang@fibrainn.mx

In New York:
Maria Barona
i-advize Corporate Communications, Inc.
Tel: (212) 406-3691/
E-mail: mbarona@i-advize.com

- **Total Revenue:** Ps. 492.1 million, of which 95.3% were from room revenues and 4.7% were from other rental revenues, for a total increase of 4.2% compared to 4Q16.
- **NOI¹:** Ps. 172.6 million, a 6.5% increase compared with the Ps. 162.1 million reported in 4Q16; NOI margin was 35.1%.
- **Adjusted EBITDA²:** reached Ps. 157.8 million, an 18.8% increase compared to the Ps. 132.8 million in 4Q16.
- **FFO³:** Ps. 116.7 million, or 23.7% FFO margin.
- **Distributions to Holders⁴:** Ps. 110.0 million for the 437,373,359 CBFIs outstanding. Distribution per CBFI was Ps. 0.2515, representing an 8.9% annualized dividend yield for the quarter.

Same-Store Sales for 4Q17 for the 42 comparable hotels⁵:

- Room revenue: Ps. 469.2 million; an increase of 6.2% vs 4Q16.
- Occupancy: 61.8%, an increase of 2.6 percentage points (pp) and an Average Daily Rate (ADR) of Ps. 1,222.9, with 1.5% growth.
- Revenue per Available Room ("RevPAR"): was Ps. 755.9, a 6.0% increase.

Total Revenues for 4Q17 for the 42 hotels in operation⁵:

- Room revenues: Ps. 469.2 million; an increase of 4.7% compared to 4Q16.
- Occupancy: 62.1%; a decrease of 3.0 pp versus 4Q16.
- Average Daily Rate: Ps. 1,222.8; an increase of 2.1%.
- Revenue per Available Room (RevPAR): Ps. 758.9, a 7.2% increase vs. 4Q16.

¹ NOI is the calculation of the Fibra's revenue (rent and other revenue) minus operating expenses for administration, maintenance, lodging, utilities, fees, royalties, marketing and promotion, as well as property tax and insurance.

² Adjusted EBITDA excludes acquisition and organization expenses.

³ FFO is calculated as the Adjusted EBITDA plus interest gain less interest expense and foreign exchange fluctuations.

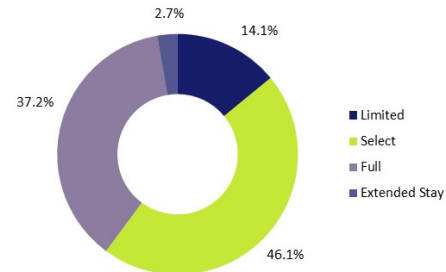
⁴ Calculated using 437,373,359 CBFIs outstanding on December 29, 2017. Yield is based on a Ps. 11.26 per CBFI as of December 29, 2017.

⁵ Includes lodging revenues of the Holiday Inn Mexico Coyoacan Hotel corresponding to the reimbursement of the consequential loss related to the earthquake that took place in September 2017.

Fourth Quarter 2017 Results

The sales mix at the close of 4Q17 was comprised of 42 hotels under operation: 11 limited service, 18 select service, 12 full service and 1 extended-stay hotels.

Total Revenue per Segment				
	4Q17	%	4Q16	%
(Ps. million)				
Limited Service	69.2	14.1%	70.5	14.9%
Select Service	226.7	46.1%	215.0	45.5%
Full Service	182.9	37.2%	174.4	36.9%
Extended Stay	13.3	2.7%	12.1	2.6%
Total	492.1	100.0%	472.1	100.0%



Financial Highlights	4Q17	4Q16	Var Ps.	% Var
Financial Indicators (Ps. million, except EBITDA per room)				
Lodging Revenues	469.2	448.2	21.0	4.7%
Rental Revenues	22.9	23.9	- 1.0	-4.3%
Fibra Revenues	492.1	472.1	20.0	4.2%
NOI	172.6	162.1	10.5	6.5%
NOI Margin / Fibra Revenues	35.1%	34.3%	-	0.7 p.p
Adjusted EBITDA	157.8	132.8	25.0	18.8%
Adjusted EBITDA Margin	32.1%	28.1%	-	3.9 p.p
EBITDA per Room	23,388.3	21,458.8	1,929.5	9.0%
FFO	116.7	103.5	13.2	12.7%
FFO Margin	23.7%	21.9%	-	1.7p.p
Distribution and Dividend Yield				
CBFI Price	11.26	11.41	- 0.2	-1.3%
Distribution	110.0	111.0	- 1.0	-0.9%
Distribution per CBFI	0.2515	0.2523	- 0.0	-0.3%
CBFIs outstanding	437.4	440.0	- 2.6	-0.6%
Annualized Dividend yield at the end of the quarter	8.9%	8.8%	-	0.1 p.p
Hotels and Rooms				
Hotels in operation	42	43	- 1	-2.3%
Hotels in remodeling *	1	-	1	-
Developments	-	-	-	-
Land Lots	1	1	-	-
Total number of properties and the end of the quarter	44	44	-	0.0%
Weighted number of days per procurement	100%	100%	-	-
Footprint (States)	15	15	-	-
Rooms in operation	6,748	6,713	35	0.5%
Rooms under development	-	234	- 234	-
Rooms under rebranding	145	-	145	-
Rooms in addition	51	-	51	-
Rooms in remodeling	-	166	- 166	-
Total # Rooms	6,944	7,113	- 169	-2.4%

* The Casa Grande Ciudad Juarez hotel temporarily on September 1, 2017 for conversion to the Holiday Inn brand and the addition of 51 rooms.

Fibra Inn's total revenues during 4Q17 were Ps. 492.1 million, an increase of 4.2% compared to 4Q16. Revenues were comprised as follows:

- Ps. 469.2 million, or 95.3%, were from room revenues from the 42 properties in the portfolio, equivalent to 4.7% growth compared to 4Q16. This result was almost wholly comprised of 6.2% from same-store sales room revenues, due to marketing efforts, both in the stabilization process at some of the hotels that are in this stage, as well as the substitution of business travelers with leisure travelers, as a result of the seasonality of the summer vacation season at this time of the year. Organic growth for the quarter was basically the effect of the following factors: (i) the impact on rental rates as a result of the appreciation the peso versus the dollar by an average of 4.4% during the quarter versus the same quarter last year, (ii) the recovery of rental revenues from meeting and training spaces during the quarter for events that had been postponed due to the hurricanes and the earthquakes that took place during September 2017, and (iii) the reimbursement received from the insurance company for the consequential losses at the Holiday Inn Mexico Coyoacan due to its temporary closure following the earthquake.
- Ps. 22.9 million, or 4.7%, in rental revenues from spaces for services other than lodging, such as conference and meeting rooms, coffee breaks and restaurants, as well as the rental of certain commercial spaces, which declined by 4.3% compared to Ps. 23.9 million in 4Q16.

During 4Q17, total operating expenses were Ps. 319.5 million, or 64.9% of total revenues, a decline of 80 basis points (bp), compared with 65.7% during 4Q16. This was the net effect of the following:

- A 110 bp decline in advertising and promotion expenses, representing 4.7% of total revenues, due to: (i) during this quarter we merged the sales force of the Chihuahua hotels; therefore only one team now provides service to all 10 properties, thus reducing sales payroll; and (ii) lower internet advertising as a result of changes in the strategy.
- A 50 bp decrease in administrative costs, representing 16.2% of total revenues, however, this line item remained almost flat, in absolute value, compared to 4Q16.
- A 30 bp decline in property taxes, since in 4Q16 the Company paid down certain properties that were pending settlement.
- A 10 bp decrease in energy costs, representing 5.7% of total revenue, however in absolute value this line item remained almost flat compared to 4Q16.
- A 10 bp decline in maintenance expenses, representing 4.0% of total revenue, however in absolute value this line item remained almost flat compared to 4Q16.

- A 10 bp decrease in insurance expenses, representing 0.3% of total revenue, as the Company paid down some properties pending settlement in 4Q16.
- A 110 bp increase in lodging expenses, representing 27.0% of total revenues, pertaining to a higher usage of external sales channels to generate greater demand by investing in certain commercial strategies, such as greater usage of travel agencies, both traditional and online access, in order to target leisure travelers, in order to offset the seasonality of the winter vacation period, which results in lower volume of business travelers; as well increasing the number of guests that are members of the global brand loyalty programs.
- A 30 bp decrease in royalties, representing 6.4% of total revenues, since franchise contracts were renovated with international brands.

As a result of the above, Net Operating Income (NOI) for 4Q17 reached Ps. 172.6 million, which represented a 6.5% increase, compared to Ps. 162.1 million for 4Q16. The NOI margin was 35.1%, which represented an increase of 80 bp compared to 34.3% reached in 4Q16.

Administrative and acquisition expenses related to the operation of the Fibra were Ps. 28.8 million for 4Q17, representing a 55.3% increase compared to Ps. 18.5 million reported in 4Q16. As a percentage of total revenues, these expenses were equivalent to 5.9%, representing an increase of 2.0 pp versus those reported in the same quarter of last year. This variation was the result of the following:

- A 3.7 pp decline in the advisory fee due to the elimination of the advisory fee, as a result of the Company's internalization process at the beginning of 2017; until 2016 this amount was 0.75% over the gross value of the real estate assets adjusted to inflation.
- A 110 bp increase in other expenses due to: (i) at the end of the year, the Company cancelled the outstanding accounts payable to vendors that did not claim their payment for over a year; and (ii) revenues from fixed assets due to the reduction of hotel furniture and equipment when remodeling hotels.
- The aforementioned was partially offset by a 510 bp increase in acquisition and organizational expenses, which represented 2.9% of total revenues, due to: (i) pre-operating expenses corresponding to the inauguration of recent brand conversion hotels; (ii) consulting fees related to the restructuring of the administrative shared service center; and (iii) expenses corresponding to the improvement of the SAP system.
- A 140 bp increase in administrative corporate expenses, representing 3.6% of total revenues due to higher payroll expenses previously belonging to the Advisor and that currently belongs to the Fibra's subsidiary.
- A 30 bp increase in extraordinary hotel maintenance.

IFRS 3 Business Combinations

In reference to IFRS 3 Business Combinations, hotel acquisitions are considered business acquisitions, as these reflect the acquisition of a running operation. Therefore, acquisition-related expenses are reported in the profit and loss statement as they are incurred, including notary expenses, legal and appraisal expenses as well as other expenses. This is applicable for hotel acquisitions after 2014.

Adjusted EBITDA of Ps. 157.8 million excludes the previously-mentioned acquisition and corporate-related expenses and increased 18.8% compared to Ps. 132.8 million in 4Q16. Adjusted EBITDA margin was 32.1%, which represented an increase of 4.0 pp compared to 28.1% margin reported in 4Q16.

The period included:

- Review of the estimate for the deterioration of financial assets in the amount of Ps. 12.9 million.
- A payment provisioned for Asesor de Activos Prisma, in the amount of Ps. 64.7 million, due to the early termination of the advisory contract for the internalization of services, which is in line with the Fibra's savings and which must be paid in 2020 upon compliance with the conditions of the internalization.
- A depreciation of land and buildings for Ps. 584.5 million, where some properties recognized a devaluation as a result of the asset re-valuation based on the reasonable value method. Such re-evaluation reflects a surplus for the re-valuation of properties in the balance sheet for Ps. 2,802.5 million, which increased the Fibra's equity by 26.9%
- An accounting depreciation for Ps. 90.8 million. The calculation for the depreciation of fixed assets – properties, furniture and equipment – is calculated based on the straight line method based on the estimated useful life of the net assets' residual value.

Operating Income (EBIT) registered a loss of Ps. 609.2 million, which represented a decrease of Ps. 683.7 million, compared to the Ps. 74.4 million in 4Q16, equivalent to a 15.8% margin.

Fibra Inn obtained higher interest income totaling Ps. 13.7 million, or Ps. 6.2 million higher compared to the Ps. 7.6 million reported in 4Q16. This increase corresponded to higher profitability for investments realized, as a result of the application of improved investment strategies, as well as an interest rate growth, even though cash and equivalents registered a lower balance in 4Q17 compared to the previous year.

Interest expense reached of Ps. 54.3 million in 4Q17, compared to Ps. 59.5 million during 4Q16. This was due to the issuance of local debt of Ps. 2,875.4 million in October 2016, which was when the debt re-initiation took place for Ps. 1.0 billion. However, this line item registered an 8.8% decline in financial expenses, or Ps. 5.2 million compared to 4Q16, since the increase in the interest rates was partially offset by the interest rate swaps.

There was an exchange rate gain of Ps. 0.5 million. The net financial result was an expense of Ps. 41.1 million in 4Q17, Ps. 9.5 million lower than the expense of Ps. 50.6 million in 4Q16; which is favorable considering the higher debt amount and the significant interest rate increase.

Net Income for 4Q17 was a loss of Ps. 650.4 million, representing a decline of Ps. 674.2 million, compared to the Ps. 23.9 million in 4Q16.

As a result of Fibra inn's asset re-valuation, Ps. 2,802.5 million was registered as a surplus of re-valuation. Additionally, a Ps. 26.9 million was recognized as an effect of the valuation of derivative instruments related to the local debt, which was Ps. 2.2 million lower than Ps. 29.1 million in 4Q16.

As a result, comprehensive net income was Ps. 2,179.1 million in 4Q17.

4Q17 FFO was Ps. 116.7 million, equivalent to a 23.7% margin and representing a 12.7% increase, compared to the Ps. 103.5 million and 21.9% FFO margin reported in 4Q16.

**Reconciliation of Net Income to FFO,
to Adjusted FFO and to FFO per share**
(Unaudited, in millions of Mexican Pesos, except the amount per CBFi)

Reconciliation to FFO and AFFO	4Q17	4Q16	Var %
FFO	116.7	103.5	12.7%
(-) Maintenance CAPEX	8.3	4.8	0.0%
Adjusted FFO	108.4	98.7	9.8%
FFO per CBFi	0.2668	0.2353	13.4%
Adjusted FFO per CBFi	0.2478	0.2243	10.4%

*Figures per CBFi based on 437,373,359 CBFis for 4Q17 and 440,019,542 CBFis for 4Q16.

Distribution to Holders

On February 21, 2018, Fibra Inn's Technical Committee approved a cash distribution for the CBFi holders of Ps. 110.0 million related to 4Q17. This distribution was equivalent to Ps. 0.2515 per CBFi, based on 437,373,359 CBFis outstanding, as a return of capital based in the operations and results of Fibra Inn

for the period between October 1 and December 31, 2017. This distribution will be paid by March 31, 2018.

Distribution to CBFI Holders				
	4Q17		4Q16	
	<i>per CBFI*</i>	<i>Total</i>	<i>per CBFI*</i>	<i>Total</i>
	Ps. \$	Ps. million	Ps. \$	Ps. million
Taxable income	-	-	-	-
Return of capital	0.2515	110.0	0.2523	111.0
Total	0.2515	110.0	0.2523	111.0

* The amount distributed per CBFI was calculated based on 437,373,359 CFIs outstanding

The repurchase program reached a total balance of 2,646,183 CFIs at December 31, 2017. After the close of the quarter, 93,000 additional CFIs were purchased; as such, the total amount of repurchased CFIs at the time of this report was 2,739,183 CFIs.

Shareholder Composition		
At December 31, 2017		
	CBFI*	%
CFIs in Treasury	64,000,000	12.7%
Repurchase Fund	2,646,183	0.5%
Founders Trust	75,079,169	0.0%
Public Float	362,294,190	0.0%
Total Outstanding	437,373,359	86.8%
Total Issued	504,019,542	100.0%

Calculation of the Distribution to CBFI Holders

In accordance with the tax laws applicable to Fibra Inn, the fiduciary is obligated to distribute at least 95% of its taxable income generated in the prior period to CBFI holders by the Trust's assets at least once per year and by March 15 of the consequent period.

This past April 26, 2017, Fibra Inn's Technical Committee approved the distribution policy, to be applied during 2017, consisting of:

- I. An objective distribution base of Ps. 0.25 per CBFI for each quarter of 2017; plus,
- II. An additional distribution based on the fulfillment of the strategic goals related with the Strategic Hotel Acquisition Pipeline (revenues corresponding to development fees), or derived from a hotel sale that represents a gain with respect to the original investment.

The objective of this policy is to generate stability in distribution payments, in accordance with the nature of the real estate business, similar to the rents obtained in a portfolio of real estate properties.

In line with the tax code applicable to Fibra Inn, when the fiduciary grants holders of CBFIs that are worth more than the tax amount of the period generated by the trustors' equity, the difference is considered a capital return and will lower the proven value of the purchase of the certificates held by the holders that receive this difference. The capital reimbursement does not generate a tax withholding for Fibra Inn's investors.

Taxable Income Calculation

Taxable Income is calculated from a tax base and may differ from the accounting base calculation. Therefore, it is important to consider the following:

- a. Fiscal depreciation applies to approximately 82% of the total value of the hotels at a 5% annual rate, updated to reflect inflation in the portion corresponding to constructions (74%), while the remaining fixed assets (8%) depreciate fiscally in accordance with the rates applicable. The remaining 18% is the value of the land, which does not depreciate.
- b. IPO expenses are tax deductible in straight line depreciation for 7 years updated to reflect inflation.
- c. Monetary assets – mainly cash and cash equivalents – generate a tax deduction due to inflation effects over the average balance of those assets.

Therefore, use the following formula to calculate the Taxable Income:

$$\begin{aligned}
 &\text{Accountable Income} \\
 &\quad (+) \text{ Accountable depreciation, not deductible} \\
 &\quad (-) \text{ Taxable depreciation} \\
 &\quad (-) \text{ IPO expenses amortized to 7 years} \\
 &\quad (-) \text{ Annual adjustment from deductible inflation} \\
 &= \text{Taxable Income}
 \end{aligned}$$

Use of the CAPEX Reserve

The capital expenditure reserve for hotel maintenance is provisioned as per the investment requirements in each line item for each period, plus a reasonable reserve for future requirements. As of December 31, 2017, this reserve reached Ps. 22.4 million compared to Ps. 29.8 million at September 30, 2017. The total amount for capital expense reached Ps. 22.2 million during 4Q17 of which Ps. 6.4 million were included as expenses in the profit and loss statement.

Balance Sheet

As of December 31, 2017, Fibra Inn held Ps. 509.6 million in cash and cash equivalents. As of December 2017 the outstanding recoverable VAT amount was Ps. 43.5 million, which is in process to be recovered with the Tax Administration Authority.

Accounts receivable registered Ps. 119.4 million from regular business operations. Other accounts receivable were Ps. 15.9 million and anticipated payments were Ps. 17.7 million, which mainly pertain to operating expenses of the amortized hotels during the period, as well as property taxes, insurance, fiduciary fees, independent board members and administrative payments. Accounts payable reached Ps. 83.5 million.

There were no short-term bank loans registered for the quarter under discussion, since on December 22, 2016, the Company signed the bank loan cancellation, pledge agreement, mandate of deposit and the reversal of the Trust Guarantee. As a result, to date all hotels were granted release from the guarantee for Fibra's portfolio.

At December 31, 2017, the outstanding balance of the FINN15 issuance was Ps. 2,850.8 million, corresponding to the debt balance, net of amortization expenses derived from the debt issuance of FINN15 maturing on September 24, 2021 at a nominal rate of TIIE 28 days plus 110 bps (equivalent to 117 bps effective rate including the re-initiation of debt). This balance considers the re-initiation of the Ps. 1 billion debt that was placed in October 2016 at TIIE 28 days plus 130 bps, via a discounted nominal rate.

At the close of 4Q17, the gross debt balance was 8.15%:

- (i) 66% covered with fixed rate swaps at a weighted average rate of 7.81%, and
- (ii) 34% is at a variable rate of 8.76%.

As a result, the net debt cost is 8.38%, considering issuance costs of 0.24%.

After 4Q17, and in order to improve Fibra's debt profile, the Company conducted a new debt issuance, FINN 18, and the repurchase of FINN15 through a tender offer, as follows:

- a. A New Debt Issuance of Unsecured Trust Certificates (CBFs) for Ps. 2 billion at a fixed rate of 9.93% (base rate of 7.73% plus 220 basis point spread) for a 10-year maturity due on February 2, 2028; ticker symbol FINN18.
- b. At the same time, the Company completed a Debt Tender Offer, whereby it completed the partial and early repurchase of 18,753,500 FINN15 securities, which were due to mature in 2021, for a total of Ps. 1,875.4 million. The new amount of the FINN15 tender offer is Ps. 1 billion; bringing the total amount of both issuances to Ps. 3 billion.

The Ps.124.7 million will be used for the settlement of expenses related to this transaction, the payment of current interests corresponding to the FINN15 coupon and the remaining will be invested in existing hotels.

As of December 31, 2017, the Company had the option to take on additional debt (considering the current balance of cash and cash equivalents) for Ps. 1,250 million without surpassing the 33% loan-to-value threshold set forth by the Company's Technical Committee.

The FINN15 debt issuance financial covenants at December 31, 2017 are as follows:

Financial Covenants / Public Debt		
As of December 31, 2017		
Loan to Value	Equal or lower than 50%	24.7%
Debt Service Coverage	Equal or higher than 1.0	2.1
Debt Service	Equal or higher than 1.5	4.4
Total Assets no taxable	Equal or higher than 150%	384.0%
Debt to Total Assets	Equal or lower than 40%	0.0%

Fibra Inn has a total loan-to-value of 24.7% as of December 31, 2017. This leverage level is in full compliance with the dispositions of the Mexican Banking and Securities Commission ("CNBV") to regulate the maximum leverage levels for the Fibras of up to 50%. As of December 31, 2017, the debt service coverage was 2.1x; the ratio established must be 1.0x or greater. Both of these figures are calculated in accordance with the methodology in Appendix AA of the *Circular Única de Emisoras* applicable to CBFIs.

Following is a breakdown of the items used in the calculation of the financial ratios:

Debt Ratios (millions of pesos)	At December 31, 2017
Loan-to-value (equal or lower than 50%)	
Financing	-
Market Debt	2,875.4
Total Assets	11,630.4
Loan-to-value	24.7%
Debt Service Coverage Ratio (equal or higher than 1.0)	
Liquid Assets	509.6
VAT refunds	43.5
Operating Profit	692.4
Credit lines	177.0
<i>Sub-Total Numerator</i>	<i>1,422.5</i>
Amortization of Interests	366.6
Principal Repayments	-
Capital Expenditure	93.0
Development Expenditure	216.1
<i>Sub-Total Denominator</i>	<i>675.7</i>
Debt Service Coverage Ratio	2.1 times

Recent Events 4Q17**a. Agreement to Acquire the Westin Monterrey hotel for Ps. 753 million**

The Company announced an agreement for the acquisition of this hotel upon conclusion of the construction process as well as once certain conditions have been met pertaining to Marriott brand standards; this is in order to obtain Marriott's approval, as well as approval from COFECE. Fibra Inn will add 175 rooms under the Strategic Hotel Acquisition Pipeline model.

Recent Events after 4Q17**1. FINN15 Debt Tender Offer and FINN18 New Debt Issuance**

Fibra Inn announced these two simultaneous transactions, which will strengthen the Company's financial profile:

- a. A Debt Issuance of Unsecured Trust Certificates (CBFs) for Ps. 2 billion at a fixed rate of 9.93% (base rate of 7.73% plus 220 basis point spread) for a 10-year maturity due on February 2, 2028; ticker symbol FINN18.
- b. At the same time, the Company completed a Debt Tender Offer, whereby it completed the partial and early repurchase of 18,753,500 FINN15 securities, which were due to mature in 2021, for a total of Ps. 1,875.4 million. The new amount of the FINN15 tender offer is Ps. 1 billion; bringing the total amount of both issuances to Ps. 3 billion.

2. Extraordinary Shareholders' Meeting

It approved the modification of the qualified majority percentage to a minimum of 75% of the total outstanding shares to make certain decisions at the shareholders' meetings. With this decision, the Company seeks to eliminate risk and be able to make certain decisions by reaching the required quorum.

Hotel Portfolio at 4Q17

	Brand	City	State	Rooms	Additions	Operator
Limited Service Hotels						
1	Wyndham Garden	Irapuato	Guanajuato	102		Fibra Inn
2	Wyndham Garden	Celaya	Guanajuato	150		Fibra Inn
3	Wyndham Garden	León	Guanajuato	126		Fibra Inn
4	Wyndham Garden	Silao	Guanajuato	143		Fibra Inn
5	Microtel Inn & Suites by Wyndham	Chihuahua	Chihuahua	108		Fibra Inn
6	Microtel Inn & Suites by Wyndham	Culiacán	Sinaloa	158		Fibra Inn
7	Microtel Inn & Suites by Wyndham	Toluca	Estado de México	129		Fibra Inn
8	Microtel Inn & Suites by Wyndham	Cd. Juárez	Chihuahua	113		Fibra Inn
9	Wyndham Garden	Guadalajara Andares	Jalisco	186		Fibra Inn
10	City Express Junior	Chihuahua	Chihuahua	105		Fibra Inn
11	City Express	Chihuahua	Chihuahua	104		Fibra Inn
				1,424		
Select Service Hotels						
1	Hampton Inn	Monterrey	Nuevo León	223		Fibra Inn
2	Hampton Inn	Saltillo	Coahuila	227		Fibra Inn
3	Hampton Inn	Reynosa	Tamaulipas	145		Fibra Inn
4	Hampton Inn	Querétaro	Querétaro	178		Fibra Inn
12	Hampton Inn by Hilton	Hermosillo	Sonora	151		Fibra Inn
14	Hampton Inn by Hilton	Chihuahua	Chihuahua	190		Fibra Inn
5	Holiday Inn Express	Saltillo	Coahuila	180		Fibra Inn
7	Holiday Inn Express	Toluca	Estado de México	268		Fibra Inn
8	Holiday Inn Express	Monterrey	Nuevo León	198		Fibra Inn
9	Holiday Inn Express	Guadalajara	Jalisco	199		Fibra Inn
10	Holiday Inn Express	Toluca	Estado de México	127		Fibra Inn
6	Holiday Inn Express & Suites	Juárez	Chihuahua	182		Fibra Inn
11	Aloft	Guadalajara	Jalisco	142		Fibra Inn
13	Courtyard by Marriott	Saltillo	Coahuila	180		Fibra Inn
16	Courtyard by Marriott	Chihuahua	Chihuahua	152		Fibra Inn
15	Fairfield Inn & Suites by Marriott	Coatzacoalcos	Veracruz	180		Fibra Inn
13	Wyndham Garden	Playa del Carmen	Quintana Roo	196		Fibra Inn
17	Wyndham Garden**	Monterrey	Nuevo León	85		Fibra Inn
				3,203		
Full Service Hotels						
1	Holiday Inn & Suites	Guadalajara	Jalisco	90		Fibra Inn
2	Holiday Inn	Monterrey	Nuevo León	198		Fibra Inn
3	Holiday Inn	Puebla	Puebla	150		Hoteles y Centros Especializados
4	Camino Real	Guanajuato	Guanajuato	155		Camino Real
5	Marriott	Puebla	Puebla	296		Fibra Inn
6	Holiday Inn	México	Distrito Federal	214		Fibra Inn
7	Holiday Inn	Altamira	Tamaulipas	203		Fibra Inn
8	Casa Grande	Chihuahua	Chihuahua	115		Fibra Inn
9	Casa Grande	Delicias	Chihuahua	89		Fibra Inn
10	Crowne Plaza	Monterrey	Nuevo León	219		Fibra Inn
11	Holiday Inn	Reynosa	Tamaulipas	95		Fibra Inn
12	Holiday Inn*	Cd. Juárez	Chihuahua	0	196	Fibra Inn
14	AC Hotels by Marriott	Guadalajara	Jalisco	180		Fibra Inn
				2004	196	
Extended Stay Hotels						
1	Staybridge Suites	Guadalajara	Jalisco	117		Fibra Inn
				117		
Land Bank						
1	Fairfield Inn & Suites by Marriott*	Cd. del Carmen	Campeche			
				6,748	196	
				6,944		

Total Fibra Inn's Portfolio as of December 31, 2017

(*) Hotel in remodeling, includes 145 rooms and an addition of 51 rooms.

(**) Rebranded properties

Information Regarding the Tenant

In order to facilitate the quarter-over-quarter comparisons, additional operational tenant information, as well as statistical indicators, is presented.

Rental revenues for the non-lodging spaces reached Ps. 22.9 million in 4Q17, which was 4.3% lower than the amount for 4Q16.

Rental revenue for food, beverage and other services were Ps. 83.9 million, 2.2% lower than the one registered for 4Q16.

Operadora México Servicios y Restaurantes, SAPI de CV Income Statement - Combines with Trust F/1765 (millions of pesos)

	4Q17		4Q16	
Revenue	83.9	100.0%	85.8	100.0%
Sales Cost	45.3	54.0%	48.6	56.6%
Operating Profit	38.6	46.0%	37.2	43.4%
Operating Expenses	6.3	7.5%	3.8	4.4%
NOI	32.3	38.5%	33.4	38.9%
Lease paid to Trust F/1616	21.5	25.6%	21.5	25.0%
Other Indirect Expenses	3.4	4.0%	3.1	3.7%
EBITDA	7.5	8.9%	8.8	10.2%
Plus: Other Non-Operating Expenses	-	0.0%	-	0.0%
Adjusted EBITDA	7.5	8.9%	8.8	10.2%

Hotel Operating Indicators

Rental revenues presented in these hotel operating indicators include additional revenues related to the Holiday Inn México Coyoacan hotel for the insurance reimbursement derived from the consequential losses of the earthquake in September 2017, when this property temporarily closed for a few days. This additional revenue was not included in the monthly indicator report issued in December 2017.

a) Quarterly Total Sales

Quarterly Total Sales			
	4Q17	4Q16	Variation
Number of hotels *	42*	43	
Lodging Income	469.2	448.2	4.7%
Occupancy	62.1%	59.1%	3 pp
ADR	1,222.8	1,198.0	2.1%
RevPar	758.9	708.2	7.2%

b) Quarterly Same-Store Sales

Quarterly Same Stores Sales			
(43 Hotels)	4Q17	4Q16	Variation
Room Revenue	469.2	441.7	6.2%
Occupancy	61.8%	59.2%	2.6 pp
ADR	1,222.9	1,205.3	1.5%
RevPAR	755.9	713.1	6.0%

The parameter of same-store sales includes the following:

- Hotels that are the property of Trust F/1616 and its operations, excluding hotels that are under negotiation as a result of a binding agreement as the phase prior to acquisition; those will be included at the moment of titling.
- As a result, the Same-Store Sales Indicator for 4Q17 includes 42 hotels of the current portfolio as if they had been part of the Fibra for the full periods, both for 4Q17 and 4Q16.
- The Company maintains the policy of excluding hotels that have been in Fibra Inn's portfolio for less than half of the quarter under discussion.

This report, excludes the Casa Grande Ciudad Juarez hotel as it remains closed since September 2017 due to its 51 room expansion and conversion to the Holiday Inn brand.

c) Information by Segment, by Chain and by Region

By Segment							
Segment	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
4Q17				4Q16			
Limited Service	59.6%	878.8	523.3	61.2%	873.2	534.0	-2.0%
Select Service	62.2%	1,244.8	774.0	58.9%	1,253.8	738.1	4.9%
Full Service	61.5%	1,393.0	856.7	57.1%	1,356.3	774.0	10.7%
Extended Stay	86.0%	1,427.1	1,226.6	81.7%	1,363.8	1,114.8	10.0%
TOTAL	61.8%	1,222.9	755.9	59.2%	1,205.3	713.1	6.0%

By Region							
Region	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
4Q17				4Q16			
North	61.4%	1,104.2	677.4	63.2%	1,097.4	693.3	-2.3%
Northeast	66.5%	1,328.6	883.1	59.8%	1,341.9	802.2	10.1%
Northwest	58.4%	612.5	357.8	60.0%	550.9	330.6	8.2%
South and center	57.2%	1,162.2	664.6	55.4%	1,173.2	650.4	2.2%
West	65.3%	1,386.9	906.2	61.9%	1,267.5	784.2	15.6%
TOTAL	61.8%	1,222.9	755.9	59.2%	1,205.3	713.1	6.0%

North: Chihuahua, Sonora

North-East: Nuevo León, Coahuila y Tamaulipas.

West: Jalisco

North-East: Sinaloa

Mid - Southern: Querétaro, Estado de México, Puebla, Guanajuato, Quintana Roo, Cd México, Veracruz, Campeche.

By Hotel Chain							
Brand	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	% Var. RevPAR
4Q17				4Q16			
IHG Intercontinental Hotels Group	70.2%	1,310.0	919.6	65.5%	1,309.0	857.8	7.2%
Wyndham Hotel Group	56.0%	930.1	520.8	56.4%	927.0	522.5	-0.3%
Hilton Worldwide	61.1%	1,140.3	696.4	59.4%	1,151.5	683.8	1.8%
Marriott International	50.0%	1,571.4	785.7	45.1%	1,543.1	695.2	13.0%
Starwood Hotels and Resorts Worldwide	67.1%	1,517.9	1,018.9	64.4%	1,449.9	934.2	9.1%
Local Brands	61.8%	1,085.4	670.6	61.6%	1,016.3	626.5	7.0%
TOTAL	61.8%	1,222.9	755.9	59.2%	1,205.3	713.1	6.0%

Hotel Operation				
City	Hotels	Rooms	% Total of Rooms	% Total of NOI
North	10	1,309	19%	17%
Northeast	11	1,953	29%	35%
Northwest	1	158	2%	0%
South and Center	14	2,414	36%	32%
West	6	914	14%	16%
TOTAL	42	6,748	100%	100%

0

Segment	Hotels	Rooms	% Total of Rooms	% Total of NOI
Limited Service	11	1,424	21%	13%
Select Service	18	3,203	47%	45%
Full Service	12	2,004	30%	40%
Extended Service	1	117	2%	3%
TOTAL	42	6,748	100%	100%

Operator	Hotels	Rooms	% Total of Rooms	% Total of NOI
Fibra Inn	40	6,443	95%	93%
Camino Real	1	155	2%	3%
Grupo Presidente	1	150	2%	3%
TOTAL	42	6,748	100%	100%

About the Company

Fibra Inn is a Mexican trust formed primarily to acquire, develop and rent a broad range of hotel properties for lodging in Mexico aimed at the business traveler. The Company has signed franchise, license and brand usage agreements with international hotel brands for the operation of global brands as well as the operation of national brands. Additionally, the Company has development agreements. These hotels enjoy some of the industry's top loyalty programs. Fibra Inn trades its Real Estate Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios or "CBFIs") on the Mexican Stock Exchange under the ticker symbol "FINN13"; its ADRs trade on the OTC market in the U.S. under the ticker symbol "DFBRY".

www.fibrainn.mx

Note on Forward-Looking Statements

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Financial Position
As of December 31, 2017 and December 31, 2016
(Thousands of pesos)

	As of December 31, 2017	%	As of December 31, 2016	%
ASSETS				
Current assets:				
Cash and cash equivalents	509,567	4.4	849,077	8.7
Receivables	119,383	1.0	145,435	1.5
Other account receivables	15,971	0.1	1,698	0.0
Advanced payments	17,692	0.2	16,755	0.2
Accounts receivables from related parties	12,280	0.1	12,699	0.1
Recoverable value-added tax	43,542	0.4	310,387	3.2
Recoverable taxes and others	5,143	0.0	13,420	0.1
Total current assets	723,578	6.2	1,349,471	13.8
Non-current assets				
Property, furniture and equipment - net	10,560,347	90.8	8,210,548	83.9
Intangible asset and other assets	72,120	0.6	60,149	0.6
Accounts receivable from related parties	109,031	0.9	36,845	0.4
Prepaid property acquisitions	126,889	1.1	104,274	1.1
Derivative financial instruments	38,385	0.3	29,145	0.3
Total non-current assets	10,906,772	93.8	8,440,961	86.2
Total assets	11,630,350	100	9,790,432	100
LIABILITIES				
Current liabilities:				
Suppliers	83,538	2.8	90,083	3.0
Other payables	8,194	0.3	1,061	0.0
Properties' acquisition liability	2,066	0.1	7,296	0.2
Accounts payable to related parties	21,143	0.7	29,586	1.0
Bank charges due to bank loans	0	-	4,999	0.2
Client prepayments	14,540	0.5	7,394	0.2
Tax payable	12,298	0.4	10,125	0.3
Total current liabilities	141,779	4.7	150,544	5.0
Non-current liabilities:				
Debt securities	2,850,755	95.2	2,836,654	94.9
Employee benefits	2,764	0.1	295	0.0
Total non-current liabilities	2,853,585	95.3	2,837,015	95.0
Total liabilities	2,995,364	100	2,987,559	100
EQUITY				
Trustors' equity:				
Contributed capital	5,855,828	67.8	6,327,290	93.0
Property revaluation surplus	2,802,543	32.5	0	-
Reserve for valuation effect of derivative financial instruments	37,405	0.4	29,241	0.4
Reserve for repurchase of CBFIs	214,598	2.5	0	-
Reserve for payment with CBFIs	61,172	0.7	0	-
Retained earnings	231,744	2.7	322,007	4.7
Net income	-568,304	-6.6	124,335	1.8
Total trustors' equity	8,634,986	100.0	6,802,873	100.0
Total liabilities and equity	11,630,350		9,790,432	



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Comprehensive Income
For the three months ended December 31, 2017 and 2016, and for the year ended December 31, 2017 and 2016
(Thousands of pesos)

Revenue from:	4T17	%	4T16	%	Var. Ps.	Var. %	2017	%	2016	%	Var. Ps.	Var. %
Lodging	469,178	95.3	448,157	94.9	21,021	4.7	1,861,318	95.3	1,707,452	95.0	153,866	9.0
Property leases	22,916	4.7	23,943	5.1	-1,027	-4.3	91,212	4.7	90,101	5.0	1,111	1.2
Total revenue	492,094	100.0	472,100	100.0	19,994	4.2	1,952,530	100.0	1,797,553	100.0	154,977	8.62
Costs and expenses from hotel services:												
Lodging	132,820	27.0	122,181	25.9	10,639	8.7	501,274	25.7	439,199	24.4	62,075	14.1
Administrative	79,807	16.2	78,985	16.7	822	1.0	317,705	16.3	291,824	16.2	25,881	8.9
Maintenance	19,615	4.0	19,109	4.0	506	2.6	79,194	4.1	74,459	4.1	4,735	6.4
Electricity	27,878	5.7	27,227	5.8	651	2.4	117,682	6.0	100,191	5.6	17,491	17.5
Royalties	31,367	6.4	28,880	6.1	2,487	8.6	121,494	6.2	109,673	6.1	11,821	10.8
Advertising and promotion	23,216	4.7	27,291	5.8	-4,075	-14.9	102,071	5.2	102,127	5.7	-56	-0.1
Property tax	3,341	0.7	4,621	1.0	-1,281	-27.7	13,619	0.7	13,852	0.8	-234	-1.7
Insurance	1,461	0.3	1,677	0.4	-217	-12.9	5,939	0.3	6,688	0.4	-749	-11.2
Total costs and expenses of hotel services	319,505	64.9	309,971	65.7	9,534	3.1	1,258,978	64.5	1,138,013	63.3	120,965	10.6
NOI	172,589	35.1	162,129	34.3	10,460	6.5	693,552	35.5	659,540	36.7	34,012	5.2
Other costs and expenses:												
Advisor fees	0	-	17,696	3.7	-17,696	-100.0	0	-	64,262	3.6	-64,262	-100.0
Corporate administrative expenses	17,552	3.6	10,193	2.2	7,359	72.2	89,026	4.6	36,741	2.0	52,285	142.3
Acquisition and organization expenses	14,031	2.9	-10,739	-2.3	24,770	230.7	24,945	1.3	14,931	0.8	10,014	67.1
Maintenance expenses	6,419	1.3	4,813	1.0	1,606	33.4	14,084	0.7	8,463	0.5	5,621	66.4
Others	-9,206	-1.9	-3,419	-0.7	-5,786	-169.3	-14,849	-0.8	-10,791	-0.6	-4,057	-37.6
Total indirect expenses	28,796	5.9	18,544	3.9	10,251	55.3	113,206	5.8	113,606	6.3	-401	-0.4
EBITDA	143,793	29.2	143,585	30.4	208	0.1	580,346	29.7	545,934	30.4	34,412	6.3
Plus: Acquisition and organization expenses	14,031	2.9	-10,739	-2.3	24,770	230.7	24,945	1.3	14,931	0.8	10,014	67.1
Adjusted EBITDA	157,824	32.1	132,846	28.1	24,978	18.8	605,291	31.0	560,865	31.2	44,426	7.9
Executive share-based compensation	0	-	0	-	0		0	-	3,630	0.2	-3,630	-100.0
Estimated impairment of financial assets	12,989	2.6	0	-	12,989		42,578	2.2	0	-	42,578	
Compensation fee to Advisor	64,747	13.2	0	-	64,747		75,472	3.9	0	-	75,472	
Land and buildings impairment	584,533	118.8	0	-	584,533		584,533	29.9	42,087	2.3	542,446	1,288.9
Depreciation and amortization	90,768	18.4	69,132	14.6	21,636	31.3	280,862	14.4	231,217	12.9	49,645	21.5
EBIT (Operating income)	-609,244	-123.8	74,453	15.8	-683,697	-918.3	-403,099	-20.6	269,000	15.0	-672,099	-249.9
Interest income	13,720	2.8	7,556	1.6	6,164	81.6	51,379	2.6	19,248	1.1	32,131	166.9
Interest expense	54,262	11.0	59,529	12.6	-5,267	-8.8	210,650	10.8	156,541	8.7	54,109	34.6
Exchange rate loss (gain)	578	0.1	-1,379	-0.3	1,957	141.9	5,934	0.3	5,607	0.3	327	5.8
Income taxes	0	-	0	-	0		0	-	1,764	0.1	-1,764	-100.0
Net income	-650,364	-132.2	23,859	5.1	-674,224	-2,825.9	-568,304	-29.1	124,335	6.9	-692,640	-557.1
Comprehensive Income:												
Reserve for valuation effect of derivative financial instruments	26,904	5.5	19,352	4.1	7,552	39.0	8,164	0.4	34,402	1.9	-26,238	-76.3
Property revaluation surplus	2,802,543	569.5	0	-	2,802,543		2,802,543	143.5	0	-	2,802,543	
Comprehensive income	2,179,083	442.8	43,211	9.2	2,135,872	4,942.9	2,242,403	114.8	158,737	8.8	2,083,665	1,312.7
FFO	116,704	23.7	103,524	21.9	13,180	12.7	440,086	22.5	417,965	23.3	22,121	5.3



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary

Unaudited Condensed Consolidated Statements of Comprehensive Income

For the three months ended December 31, 2017 and 2016, and for the year ended December 31, 2017 and 2016
(Thousands of pesos)

Revenue from:	4T17	%	4T16	%	Var. Ps.	Var. %	Ac 2017	%	Ac 2016	%	Var. Ps.	Var. %
Lodging	469,178	95.3	448,157	94.9	21,021	4.7	1,861,318	95.3	1,707,452	95.0	153,866	9.0
Property leases	22,916	4.7	23,943	5.1	-1,027	-4.3	91,212	4.7	90,101	5.0	1,111	1.2
Total revenue	492,094	100.0	472,100	100.0	19,994	4.2	1,952,530	100.0	1,797,553	100.0	154,977	8.6
Costs and expenses from hotel services:												
Lodging	132,820	27.0	122,181	25.9	10,639	8.7	501,274	25.7	439,199	24.4	62,075	14.1
Administrative	79,807	16.2	78,985	16.7	822	1.0	317,705	16.3	291,824	16.2	25,881	8.9
Maintenance	19,615	4.0	19,109	4.0	506	2.6	79,194	4.1	74,459	4.1	4,735	6.4
Electricity	27,878	5.7	27,227	5.8	651	2.4	117,682	6.0	100,191	5.6	17,491	17.5
Royalties	31,367	6.4	28,880	6.1	2,487	8.6	121,494	6.2	109,673	6.1	11,821	10.8
Advertising and promotion	23,216	4.7	27,291	5.8	-4,075	-14.9	102,071	5.2	102,127	5.7	-56	-0.1
Total costs and expenses of hotel services	314,703	64.0	303,673	64.3	11,030	3.6	1,239,420	63.5	1,117,473	62.2	121,947	10.9
Gross margin	177,391	36.0	168,427	35.7	8,962	5.3	713,110	36.5	680,080	37.8	33,030	4.9
Other costs and expenses:												
Property tax	3,341	0.7	4,621	1.0	-1,281	-27.7	13,619	0.7	13,852	0.8	-234	-1.7
Insurance	1,461	0.3	1,677	0.4	-217	-12.9	5,939	0.3	6,688	0.4	-750	-11.2
Advisor fees	0	0.0	17,696	3.7	-17,696	-100.0	0	0.0	64,262	3.6	-64,262	-100.0
Corporate administrative expenses	17,552	3.6	10,193	2.2	7,359	72.2	89,026	4.6	36,741	2.0	52,285	142.3
Acquisition and organization expenses	14,031	3	-10,739	-2	24,768	-231	24,945	1	14,931	1	10,014	67
Others	-9,206	-1.9	-3,419	-0.7	-5,788	169.3	-14,849	-0.8	-10,791	-0.6	-4,057	37.6
Executive share-based compensation	0	0.0	0	0.0	0		0	0.0	3,630	0.2	-3,630	-100.0
Extraordinary maintenance expenses	6,419	1.3	4,813	1.0	1,606	33.4	14,084	0.7	8,463	0.5	5,621	66.4
Estimate of impairment of financial assets	12,989	2.6	0	0.0	12,989		42,578	2.2	0	0.0	42,578	
Compensation fee to Advisor	64,747	13	0	0	64,747		75,472	4	0	0	75,472	
Land and buildings impairment	584,533	119	0	0	584,533		584,533	30	42,087	2	542,446	1,289
Depreciation and amortization	90,768	18.4	69,132	14.6	21,636	31.3	280,862	14.4	231,217	12.9	49,645	21.5
Total other costs and expenses	786,635	160	93,974	20	692,661	737	1,116,209	57	411,080	23	705,129	172
Operating income	-609,244	-123.8	74,453	15.8	-683,697	-918.3	-403,099	-20.6	269,000	15.0	-672,099	-249.9
Interest income	13,720	2.8	7,556	1.6	6,164	81.6	51,379	2.6	19,248	1.1	32,131	166.9
Interest expense	54,262	11.0	59,529	12.6	-5,267	-8.8	210,650	10.8	156,541	8.7	54,109	34.6
Exchange rate loss (gain)	578	0.1	-1,379	-0.3	1,957	-141.9	5,934	0.3	5,607	0.3	327	5.8
Income taxes	0	0.0	0	0.0	0		0	0.0	1,764	0.1	-1,764	-100.0
Net income	-650,364	-132.2	23,859	5.1	-674,224	-2,825.9	-568,304	-29.1	124,335	6.9	-692,639	-557.1
Comprehensive Income:												
Reserve for valuation effect of derivative financial instruments	26,904	5.5	19,352	4.1	7,552	39.0	8,164	0.4	34,402	1.9	-26,238	-76.3
Property revaluation surplus	2,802,543	569.5	0	0.0	2,802,543		2,802,543	143.5	0	0.0	2,802,543	
Comprehensive income	2,179,083	442.8	43,211	9.2	2,135,873	4,942.9	2,242,403	114.8	158,737	8.8	2,083,666	1,312.7



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A. Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Cash Flows
 For the period from January 1 to December 31, 2017 and 2016
 (Thousands of pesos)

	2017	2016
OPERATING ACTIVITIES		
Net income before taxes	-568,304	126,099
Adjustments:		
Depreciation and amortization	248,568	220,244
Write-off of fixed asset	32,294	7,716
Land and buildings impairment	584,533	42,087
Uncollectible accounts		
Compensation fee to Advisor	61,172	0
Debt interests	210,650	156,212
Gain on interests	-51,379	-19,223
Executive share-based compensation	0	3,630
	560,112	538,778
Receivables and other accounts receivable	-22,521	14,897
Related parties	-8,024	68,931
Advanced payments	-937	13,937
Recoverable taxes	266,845	88,512
Suppliers and other payables	2,505	-44,491
Payable taxes	4,630	-8,348
Employee benefits	12	43
Net cash flows generated by operating activities	802,622	672,259
INVESTING ACTIVITIES		
Acquisition of property, furniture and equipment	-414,878	-830,657
Prepaid property acquisitions	-22,615	-110,253
Revenue from the sale of furniture and equipment	2,227	2,911
Acquisition of intangible assets	-11,971	-29,549
Gain on interests	51,379	19,223
Loan granted to related parties	-72,186	-11,877
Net cash flows utilized in investing activities	-468,044	-960,202
FINANCING ACTIVITIES		
Paid loans	0	-350,000
Repurchase of CBFIs	-30,402	0
Distribution to holders of certificates	-441,060	-399,500
Debt issuance interests	0	994,545
Bank fees and interests related to loan	-202,626	-142,519
Bank loan	0	250,000
Net cash flows generated by financing activities	-674,088	340,269
Net cash flows of the period	-339,510	52,326
Cash and cash equivalents at the beginning of the year	849,077	796,751
Cash and cash equivalents at the end of the year	509,567	849,077



Fideicomiso Irrevocable No. F/1616 (Deutsche Bank Mexico, S. A.
Multiple Banking Institution, Trust Division) and Subsidiary
Unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity
From January 1 to December 31, 2017 and 2016
(Thousands of pesos)

	<i>Contributed capital</i>	<i>Executive share-based compensation reserve</i>	<i>Reserve for repurchase of CBFIs</i>	<i>Property Revaluation Surplus</i>	<i>Reserve for compensation payment to the Advisor with CBFIs</i>	<i>Reserve for valuation effect of derivative financial instruments</i>	<i>Retained earnings</i>
As of December 31, 2015	6,671,290	51,870				-5,161	322,007
Distribution to holders of certificates	-399,500						
Equity-settled share-based payment		3,630					
Share-based payment issued capital	55,500	-55,500					
Comprehensive income						34,402	124,335
As of December 31, 2016	6,327,290	0	0	0	0	29,241	446,342
As of December 31, 2016	6,327,290	0	0	0	0	29,241	446,342
Distribution to holders of certificates	-441,060						
Reserve for repurchase of CBFIs			245,000				-245,000
Repurchase of CBFIs	-30,402		-30,402				30,402
Comprehensive income				2,802,543	61,172	8,164	-568,304
As of December 31, 2017	5,855,828	0	214,598	2,802,543	61,172	37,405	-336,560